

BC3 adds \$148M in income to Butler County economy, report states

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Roger Muto, of Fenelton, a bricklayer with Etzel Masonry, Butler, lays stone inside the Amy Wise Children's Creative Learning Center on the main campus of Butler County Community College in this Sept. 15, 2017, file photo. Construction projects at BC3 are among the college's expenditures that add income to Butler County's economy, according to an economic impact analysis.

(Butler, PA) Butler County Community College generated \$147.5 million in added income to Butler County's economy in the 2016-17 fiscal year, according to an economic impact analysis that also states taxpayers will experience a return of \$4.90 for every public dollar invested in educating a BC3 student over the student's worklife.

Seventy-five percent of BC3's 568 full- or part-time employees live in Butler County, according to Emsi, an Idaho research company that has completed more than 1,800 impact studies for educational institutions since 2000. BC3's payroll in the 2016-17 fiscal year totaled \$20 million.

“When you look at the number of employees, that is a buying pool, a taxpayer pool,” said Stan Kosciuszko, president of the Butler County Chamber of Commerce. “You also look at that as a service industry. They purchase gasoline. They eat. They buy clothing. A lot of them live in Butler County. Just the employees’ economic impact on Butler County is huge. If you just take that face value, without looking any further, that is a huge impact.”

Also making an impact are BC3’s alumni in the Butler County workforce, its student spending and the college’s expenditures on facilities, professional services and supplies, and construction, according to Emsi, which states that the \$147.5 million in additional income created by BC3 is equal to approximately 1.4 percent of Butler County’s gross regional product.

“I would think it is probably even higher than that. I think that is kind of conservative. If you really look at the ripple effect, it would be larger. It is Butler County Community College,” Kosciuszko said, emphasizing “community.”

“It is the community’s college.”

BC3 grads represent “a win-win,” commissioner says

BC3’s alumni accounted for \$112.4 million of the \$147.5 million in added income in Butler County, according to Emsi, which included graduates, those who did not finish their degree or those who took noncredit courses and who “entered or re-entered the workforce with newly acquired skills.”

Approximately 23,000 people have earned at least 45 credits at BC3 since its founding in 1965, according to Michelle Jamieson, associate director of the BC3 Education Foundation Inc. An estimated 43 percent live in Butler County, according Emsi.

“Given the fact that many of our local students choose to remain and are employable in Butler County, that not only retains our younger population in this region, but enables reinvestment back into our local economies throughout Butler County’s 57 communities,” said Kimberly D. Geyer, an ex officio member of BC3’s board of trustees, a Butler County commissioner and a BC3 graduate. “It is truly a win-win.

“It is clear to see that when we invest upfront in education, the return on investment is tenfold. By investing dollars into the community’s college, we all stand to benefit by a more educated and higher quality workforce which, in turn, attracts new business, development and housing into the county, which, in turn, generates even newer tax dollars.”

The \$112.4 million is largely representative of the higher salaries students earned as a result of their education as well as the increased output of the businesses that employed the student, said Dr. Christian Ola, BC3’s dean of business.

“This results in a multiplier effect that occurred as a result of students and their employers spending more money at other Butler County businesses,” Ola said.

Human resources manager: “It goes from generation to generation”

Jim McKain, human resources manager at Penn United Technologies Inc., Cabot, said he, two of his siblings and three of his four children earned associate degrees at BC3.

“The ripple effect there alone,” he said of his own family, “of just staying close to home, working in the local economy, paying local taxes, keeps all that money right here in Butler County. Just think of the spending that is from just one family over the past 25, 30 years. It is a pretty significant number.”

The scenario repeats itself, he said, among 100 of the precision manufacturer’s 630 employees who attended BC3, many of them earning associate degrees or certificates and living in Butler County.

“It goes from generation to generation, which is another multiplier that is really hard to put a number on,” McKain said. “I know a lot of my classmates are still in the community, still working here, doing the same thing I did.”

BC3 student spending totaled \$8.1 million in 2016-17; its expenditures on facilities, professional services and supplies, \$4 million; and its construction projects, \$3 million, according to Emsi.

The college, said James A. Hrabosky, BC3’s vice president for administration and finance, continues to provide an increasing benefit to Butler County’s economy through “the vast and far-reaching effects of both the direct expenditures of BC3 and the indirect expenditures of our students.

“Many local businesses, on the receiving end of many of these purchases, realize the value of this economic activity that would not exist,” Hrabosky said, “but for the existence of BC3.”



Lauren Gallaher, of Valencia, earned a workplace certificate from Butler County Community College in CNC programming technology in 2010 and serves as the administrative assistant at Penn United Technologies’ Learning Institute for the Growth of High Technology (LIGHT) in Cabot. Gallaher, shown Tuesday, June 26, 2018, in a LIGHT machining lab, is among 100 of the precision manufacturer’s 630 employees who attended BC3. She plans to pursue an associate degree in computer-aided machining technology at BC3 in the fall.

Relocated students create “huge ripple effect,” BC3 president says

BC3 served nearly 4,889 credit and 11,150 noncredit students in 2016-17, but Emsi considered only Butler County students who would have left Butler County to seek education elsewhere had they not attended BC3. Emsi also included the estimated 1,255 students who relocated to Butler County to attend BC3 in the 2016-17 fiscal year.

The off-campus expenditures of out-of-county students who relocated to Butler County supported jobs and created new income in Butler County’s economy, according to Emsi.

“Students who have relocated to Butler County to attend BC3 are paying rent, buying gasoline, purchasing goods and services, and possibly working in Butler County,” said Dr. Nick Neupauer, BC3 president. “And if they are working in Butler County, they are contributing to the economy as employees and paying taxes – and that also creates a huge ripple effect.”



Isabella Mariacher, formerly of Jamestown, Mercer County, moved to Butler County in August 2016 to attend Butler County Community College. Mariacher, a 2018 BC3 graduate, is shown Tuesday, June 26, 2018, in the Alliance for Nonprofit Resources, Butler, where she has worked as a support service professional in the alliance’s Agency with Choice since February. Mariacher is among the estimated 1,255 students who relocated to Butler County to attend BC3 in the 2016-17 fiscal year, according to an Idaho research company that conducted an economic impact analysis of BC3.

The spending of students who commute to Butler County, or who take courses online, were not included, Emsi reported, because they are not adding money from living expenses to the county.

State and Butler County taxpayers in 2016-17 paid \$17.6 million to support the operations of BC3. Taxpayers will gain in added tax revenue and public sector savings \$4.90 for every public dollar invested in BC3 over a student’s worklife, Emsi reported.

Additionally, the public sector will save an estimated \$5.7 million in benefits due to a reduced demand for government-funded social services in Pennsylvania, according to Emsi.

Education's benefits far-reaching

Taxpayers' investment in education, Geyer said, also results in Butler County savings in the areas of incarceration, unemployment and human services.

“An educated population is likely to prohibit areas of blight, homelessness, drugs and crime, which cost our state and county millions of tax dollars annually to rectify through programs and services,” Geyer said.

“A better return on investment has been demonstrated by the initial and upfront investment of tax dollars into our community college here in Butler County,” Geyer said, adding that Butler County is “blessed” to be home to the No. 1 community college in Pennsylvania in consecutive rankings by Schools.com.

“Living in a county with an educated and skilled workforce, as well as a blue-collar work ethic, continues to attract businesses and development choosing to locate here and adds to a quality of life in Butler County that is unmatched by any other county in the commonwealth.”